

Additional Provisions

In the event of a conflict between the provisions of Exhibit C or Exhibit D(F) and Exhibit E, Additional Provisions, the provisions of Exhibit E, Additional Provisions, shall govern.

A. Additional Incorporated Exhibits

The following additional exhibits are attached, incorporated herein, and made a part hereof by this reference:

Exhibit H	HIPAA Business Associate Addendum	6 pages
Exhibit I	The Technical Proposal submitted by Contractor on (date).	XX page(s)

B. Contract Amendments

Should either party, during the term of this agreement, desire a change or amendment to the terms of this Agreement, such changes or amendments shall be proposed in writing to the other party, who will respond in writing as to whether the proposed changes/amendments are accepted or rejected. If accepted and after negotiations are concluded, the agreed upon changes shall be made through the State's official agreement amendment process. No amendment will be considered binding on either party until it is formally approved by the State.

C. Cancellation / Termination

1. This agreement may be cancelled by DHS without cause upon thirty (30) calendar days advance written notice to the Contractor.
2. DHS reserves the right to cancel or terminate this agreement immediately for cause. The Contractor may submit a written request to terminate this agreement only if DHS substantially fails to perform its responsibilities as provided herein.
3. The term "for cause" shall mean that the Contractor fails to meet the terms, conditions, and/or responsibilities of this agreement.
4. Agreement termination or cancellation shall be effective as of the date indicated in DHS' notification to the Contractor. The notice shall stipulate any final performance, invoicing or payment requirements.
5. Upon receipt of a notice of termination or cancellation, the Contractor shall take immediate steps to stop performance and to cancel or reduce subsequent agreement costs.
6. In the event of early termination or cancellation, the Contractor shall be entitled to compensation for deliverables which have been accepted by DHS.

D. Insurance

1. As used in this section, a third party carrier means an insurance and/or bonding company licensed to provide the required lines of insurance in the State of California and in the amounts required by this Contract. No policy of insurance provided or maintained under this section shall provide for an exclusion for the acts of officers,

directors, or managing shareholders.

2. The Contractor shall furnish to the State a Certificate of Insurance stating that there is Comprehensive General Liability Insurance (CGL) presently in effect for the Contractor with a Combined Single Limit (CSL) of not less than one million dollars (\$1,000,000) per occurrence for bodily injury and property liability combined.
 - a. The Certificate of Insurance shall provide:
 - 1) that the insurer will not cancel the insured's coverage without thirty (30) days written notice to DHS;
 - 2) that DHS, its officers, agents, employees, and servants are included as additional insureds but only insofar as the operations under this contract are concerned; and
 - 3) that DHS will not be responsible for any premiums or assessments on the policy.
 - b. The Certificate of Insurance shall meet such additional standards as may be determined by DHS, either independently or in consultation with the Department of General Services (DGS), Office of Insurance and Risk Management (OIRM), as essential for protection of DHS.
 - c. The insurance will be issued by an Insurance Company acceptable to DGS, OIRM or be provided through partial or total self-insurance acceptable to DGS.
 - d. The Contractor agrees that the CGL insurance herein provided for shall be in effect at all times during the term of this Contract. The Contractor shall agree to provide at least thirty (30) days notice prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of this Contract, or for a period of not less than one year.
3. The Contractor shall provide and maintain Workers' Compensation Insurance, in accordance with the statutory requirements of the state where work is performed, during the performance of this Contract, and require its subcontractors to do the same.
4. New Certificates of Insurance are subject to the approval of DHS and Contractor agrees that no work or services shall be performed prior to the giving of such approval. In the event the Contractor fails to keep in effect at all times insurance coverage as herein required, DHS may, in addition to any other remedies it may have, terminate this contract.

E. Subcontractors

1. DHS reserves the right to approve or disapprove the selection of subcontractors and with advance written notice, require the substitution of subcontractors and require the Contractor to terminate subcontracts entered into in support of this agreement.

- a. Upon receipt of a written notice from DHS requiring the substitution and/or termination of a subcontract, the Contractor shall take steps to ensure the completion of any work in progress and select a replacement, if applicable, within 30 calendar days, unless a longer period is agreed to by DHS.
2. Actual subcontracts (i.e., written agreement between the Contractor and a subcontractor) of \$5,000 or more are subject to the prior review and written approval of DHS. DHS may, at its discretion, elect to waive this right. All such waivers shall be confirmed in writing by DHS.
3. Contractor shall maintain a copy of each subcontract entered into in support of this agreement and shall, upon request by DHS, make said copies available for approval, inspection, or audit.
4. Sole responsibility rests with the Contractor to ensure that subcontractors, used in performance of this agreement, are paid in a timely manner. The timeliness of said payments may be affected by the timeliness of payments issued by DHS to the Contractor.
5. The Contractor is responsible for all performance requirements under this agreement even though performance may be carried out through a subcontract.
6. When entering into a consulting service agreement with DHS, the Contractor will be required to supply budget detail for each subcontractor and/or each major subcontracted activity under this agreement. Such budget detail shall be deemed attachments to the Escrow Documents provided by the Contractor prior to the contract award. Review of these documents will conform to the requirements for review of the original Escrow Documents.
7. The Contractor shall ensure that all subcontracts for services include provision(s) requiring compliance with applicable terms and conditions specified in this agreement.
8. The Contractor agrees to include the following clause, relevant to record retention, in all subcontracts for services:

"(Subcontractor Name) agrees to maintain and preserve, until five (5) years after termination of (Agreement Number) to permit DHS or any duly authorized representative to have access to examine or audit any pertinent books, documents, papers and records related to this subcontract and to allow interviews of any employees who might reasonably have information related to such records."
9. Unless otherwise stipulated in writing by DHS, the Contractor shall be the subcontractor's sole point of contact for all matters related to performance and payment under this agreement.
10. Contractor shall, as applicable, advise all subcontractors of their obligations pursuant to the applicable numbered provisions of this exhibit.

F. Inspection Rights and Access Requirements.

1. The Contractor shall allow DHS, the Department of Health and Human Services (DHHS), the Comptroller General of the United States, the State Auditor and other authorized federal and State agencies or their duly authorized representatives, to inspect, monitor or otherwise evaluate the quality, appropriateness, and timeliness of services performed under this Contract. Such activities shall include, but not be limited to interviewing employees; obtaining, reviewing, copying and auditing any and all books, records, management systems, and facilities maintained by the Contractor and subcontractors, pertaining to such services, at any time during normal business hours.
2. As used in this Section, books and records shall include, but are not limited to, all physical records originated or prepared pursuant to the performance under this Contract including working papers; reports in development; reports submitted to DHS; financial records and books of account; study designs, tools, software, and databases; management information system files; plan data; all medical records, medical charts and prescription files; other documentation pertaining to clinical outcomes, medical, and non-medical services rendered to plan Members; and any related information, regardless of (1) the medium in which these books, and records are recorded or reproduced; and (2) the location where compiled and/or stored. All electronic files must be available in a format requested by DHS.
3. Upon request, at any time during the period of this Contract, the Contractor shall furnish any relevant information, record, or copy of it, to DHS, DHHS, the Comptroller General of the United States, the State Auditor and other authorized Federal and State agencies, or their duly authorized representatives (hereafter "Authorized Representatives"). If a copy is provided, the Authorized Representatives shall have the right to view the original documentation upon request.
4. Notwithstanding any shorter period provided in Exhibit D(F), this Contract is subject to the examination and audit of the State Auditor for a period of five (5) years after final payment under this Contract.
5. To assure compliance with the provisions of this Contract, applicable Federal and State laws and regulations and for any other reasonable purpose, Authorized Representatives shall have the right to access the Contractor's premises, with or without notice. This shall include the Contractor's and subcontractor's management facilities, presentation sites, or other places where Contract duties are being performed.
6. Staff designated by Authorized Representatives shall have access to all security areas and the Contractor shall provide, and shall require any and all of its subcontractors to provide, reasonable facilities to such authorized persons in the performance of their duties. Access shall be undertaken in such a manner as not to unduly delay the work of the Contractor and/or subcontractor(s).
7. The right of access herein shall include on-site visits by Authorized Representatives and by the successor Contractor when accompanied by a DHS representative(s). Any security device or system which the Contractor implements to identify and monitor persons seeking access to secured areas shall be supplied by the

Contractor to the Authorized Representatives.

G. Dispute Resolution Process

1. This provision replaces and supersedes provision 15 of Exhibit D(F).
2. If the Contractor believes there is a dispute or grievance between Contractor and DHS, both parties shall follow the two-step procedure outlined below.
 - a. The Contractor should first discuss the problem informally with the DHS program contract manager. If the problem cannot be resolved at this stage, the Contractor must direct the grievance together with any evidence, in writing, to the program Contract Officer. The grievance must state the issues in dispute, the legal authority or other basis for the Contractor's position and the remedy sought. The Contract Officer must make a determination on the problem within ten (10) working days after receipt of the written communication from the Contractor. The Contract Officer shall respond in writing to the Contractor indicating the decision and reasons therefore. Should the Contractor disagree with the Contract Officer's decision, the Contractor may appeal to the second level.
 - b. The Contractor must prepare a letter indicating why the Contract Officer's decision is unacceptable, attaching to it the Contractor's original statement of the dispute with supporting documents along with a copy of the Contract Officer's response. This letter shall be sent to the Medi-Cal Policy Division (MCPD) within ten (10) working days from receipt of the Contract Officer's decision. The MCPD Chief or designee shall meet with the Contractor to review the issues raised. A written decision signed by the Division Chief or designee shall be returned to the Contractor within twenty (20) working days of receipt of the Contractor's letter.

H. Separation of Books and Records

The Contractor shall keep all books and records or other similar materials pertaining to this Contract, as defined in Section G, separate from the books and records of other activities not related to this Contract. Contractor related records shall be maintained at the Contractor's defined storage location.

I. Contractor Certifications

1. With respect to any report, invoice, record, papers, documents, books of account, or other Contract required data and information submitted pursuant to the requirements of this Contract, the Contractor's authorized designee or his/her representative shall certify that the report, invoice, record, papers, documents, books of account or other Contract required data and information is current, accurate, complete and in full compliance with legal and Contractual requirements to the best of that individual's knowledge and belief, unless the requirement for such certification is expressly waived by DHS in writing.
2. Wherever in this Contract there is a requirement that the Contractor "certify" or submit a "certification," such certification shall be in the form of an affidavit or declaration under penalty of perjury under the laws of the State of California dated and signed by the Contractor's Representative or his/her authorized designee.

J. Protection From Unauthorized Disclosure

Notwithstanding any other provision of this Contract, names of persons receiving public social services are confidential and are to be protected from unauthorized disclosure in accordance with Title 42, CFR, Section 431.300 et seq. and Section 14100.2, W&I Code and regulations adopted thereunder. For the purpose of this Contract, all information, records, data, and data elements collected and maintained shall be protected by the Contractor from unauthorized disclosure.

K. Turnover Requirements

The objective of the Turnover period described below is to ensure the orderly and timely transfer of necessary data from the Contractor to the State and then to a successor Contractor, if any. This orderly transfer of required data is intended to ensure continuity of support services.

The Contractor shall be flexible to changing requirements. If the State exercises its extension and amendment options, all Turnover activities shall be delayed a commensurate period of time.

Upon termination or expiration of the contract, or upon the direction of the State, the Contractor shall:

- 1) Transfer control of all data, files, computer programs, procedures, and any other material (electronic or otherwise) prepared for the State under the terms of the contract to the State within 15 days of receiving written notice from the State.
- 2) Certify to the State that all documents (electronic and otherwise) produced pursuant to the contract have been delivered to the State and that no confidential material has been retained by the Contractor. This physical transfer will be in an orderly, timely, and efficient manner, and in full compliance with the security and confidentiality provisions of this contract. The State shall retain the authority to designate the manner and method by which the data and other material shall be transferred. If the State determines that additional data or other materials are required for Turnover, the State shall notify the Contractor in writing. Costs of reproduction shall be borne by the State.

If the Contractor does not provide or perform the requirement within 15 days of the written notice, or longer if allowed by the State, the State may impose liquidated damages of \$500 per requirement per day for each day the requirement continues not to be provided or performed. If after 15 additional days from the date of the State imposed liquidated damages, the requirements still have not been provided or performed, the State, after written notice to the Contractor, may increase the liquidated damages assessment to \$1,000 per State work day per requirement until the requirement is provided or performed. No liquidated damages may be claimed by the State solely because the requirement is not provided as scheduled unless the writing specifies the deliverable's "critical must date" and the writing is signed by the State Contract Officer and the Contractor's agent.

The Contractor shall develop a report describing, at a level of detail sufficient to be understandable to a lay person, the data and other materials to be transferred to the State. This report shall be submitted to the Contract Officer within five State work days of termination or expiration of the contract.

All data and information provided by the Contractor shall be accompanied by letter, signed by the responsible authority, certifying to the accuracy and completeness of the materials supplied.

L. Contract Extension

The State shall retain the exclusive right to exercise the option to extend the term of the contract during the last twelve months of the contract, as determined by the original end date or by a new end date if an extension has been exercised. The State may invoke up to two separate extensions of one year each. The Contractor shall be given at least 90 days prior written notice if the State chooses to exercise this option.

Due to the complex nature of this RFP, the State reserves the right to amend the contract if ongoing litigation requires that the current contractor be retained to ensure continuity of litigation support services. This right is in addition to the rights set forth in the immediately preceding paragraph. The amendment may be for a period of up to twelve months. During the twelve month amendment period, the Contractor will be limited to work pertaining to ongoing litigation already assigned to the Contractor. No new litigation support work will be assigned to the Contractor during this period. The Contractor shall be given at least 90 days prior written notice if the State chooses to exercise this option.